

**MINUTES OF THE INVESTMENT ADVISORY BOARD [IAB]
CITY OF HUNTINGTON BEACH**

City Hall, Meeting Room B-7, Lower Level
2000 Main Street
Huntington Beach, California
April 21, 2015

1. Called to Order at 6:35 p.m.

2. Roll Call: Investment Advisory Board

Members Present: Ron Sterud, Rob Sternberg, Alan Ray, Scott Dowds,
Lydia Dupont

Members Absent: Jennifer Handy, John Piekarski

Present: Alisa Cutchen (City Treasurer)

3. Public Comments: None

4. Old Business:

- The January 15, 2015 Investment Advisory Board Minutes were approved.

5. New Business:

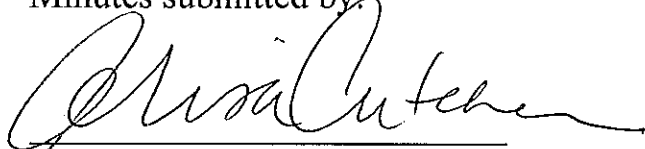
- Review Treasurer's Quarterly Report being presented to City Council on May 4, 2015
 - The Board asked to add a reference to the "PMIA/LAIF Market Valuation" month end document. Board also asked to include the bond reserve investment that is being utilized in each reserve fund. Board also asked for information as to whether the self-directed option was discussed for the Nationwide Deferred Comp Plan. City Treasurer to follow up on these items.

- Discuss Investment Policy Updates
 - The Board agreed the Treasurer to draft the following three modifications to the Investment Policy:
 - Change benchmark to two-year CMT
 - Increase allowable portfolio allocation to Corporate Notes/Bonds from 20% to 30%, as State Code allows for 30%. This will provide for more diversity of the portfolio.
 - Allow for a small percentage of the portfolio to be invested in Supranationals.
 - Such modifications to the Investment Policy will be further reviewed by the Investment Advisory Board upon being provided with such draft.

6. Adjournment:

The meeting was adjourned at 7:35 p.m. to Thursday, July 16, 2015, 6:30 PM, Meeting Room B-7.

Minutes submitted by:

A handwritten signature in black ink, appearing to read 'Alisa Cutchen', written over a horizontal line.

Alisa Cutchen
City Treasurer